

July 2012

Highlights

Internal Audit Report to the
Board of Supervisors

Why We Did This Review

Every three years, Arizona courts are required to have an independent Minimum Accounting Standards (MAS) review.

The MAS review is an Agreed-Upon Procedures engagement in which an independent accountant performs standard audit procedures set forth by the Supreme Court of Arizona, Administrative Office of the Courts (AOC). Internal Audit performs MAS engagements of County agencies to save the cost of hiring an outside consultant.

Minimum accounting standards were developed to standardize accounting practices and procedures, and to assist court personnel in bringing financial operations into compliance with statute and Generally Accepted Accounting Principles (GAAP).

Our review assists the AOC in evaluating each court's compliance with MAS. The AOC is responsible for following up on all audit exceptions.

Our review was performed in accordance with generally accepted government auditing standards and standards established by the American Institute of Certified Public Accountants.



For more information, please contact
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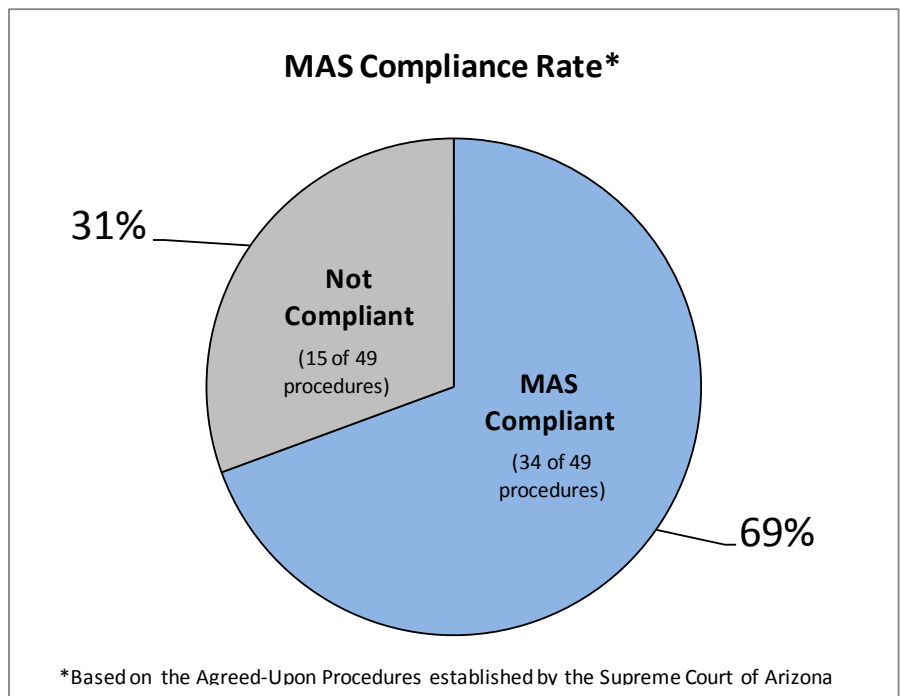
Clerk of the Superior Court

Minimum Accounting Standards (MAS) Agreed-Upon Procedures Review

What We Found

The Clerk of the Superior Court (COSC) performs disbursements and case-related cash collections at various locations throughout Maricopa County. Our audit work was performed at the following COSC locations: Central Court Complex, Northeast Regional Center, South Court Tower, and Southeast Regional Facility.

Of the 54 procedures set forth by the AOC to determine compliance with MAS, 49 procedures were applicable to COSC operations. We found that COSC complied with 34 of 49 procedures, or 69%, as shown below. This compares favorably to the 52% compliance rate identified in our prior review.



Scope of Work

The MAS Agreed-Upon Procedures encompass the following 11 areas: Administrative Requirements, Safeguarding Monies and Financial Records, External Review by Auditors, Segregation of Duties, Cash Handling, Disbursements, Deposits and Bank Accounts, Reconciliation of Financial Records, Outstanding Checks, Bonds, and Reporting. Most exceptions were related to Cash Handling, Reconciliations, and Disbursements. These types of exceptions increase the risk that errors and/or fraud could occur and go undetected.

We appreciate the excellent cooperation received from the Clerk of the Superior Court's management and staff while conducting this review. For a complete copy of the MAS report and COSC's response, contact our office.

"Do the Right Things Right!"

Maricopa County Internal Audit Department